

CALIFORNIA CERTIFIED REINSURER PASSPORT APPLICATION CHECKLIST

If an applicant for certified reinsurer status has been certified in an NAIC accredited jurisdiction, California Insurance Code section 922.41(c)(1) gives the Commissioner the discretion to defer to that jurisdiction's certification and assigned rating; i.e., "passport".

This checklist is based on California Insurance Code section 922.41, and serves as a guide for insurers desiring to apply to passport their certified reinsurer status into California. Do not leave any checklist items blank. Mark either "X" or "n/a" in the box provided. Use "n/a" if a checklist item does not apply, and provide an explanation why that item is not applicable under the application exhibit. ***Please submit a duplicate copy of the completed application.*** An application consists of a completed checklist, signed by an officer with the authority to bind the company, and all of the corresponding exhibits.

Pursuant to section 922.41(e)(1) of the Insurance Code, notice of a filed application will be posted on the California Department of Insurance's ("CDI") website. Posted notice will be found under the "[Certified Reinsurer](#)" portion of the "Bulletins & Notices" page on CDI's website.

Please note, this checklist is intended as a *guide* for insurers renewing their certified reinsurer status. The Commissioner reserves the right to establish relevant requirements or request information *in addition* to what has been set forth in this checklist. See Cal. Ins. Code § 922.41(b)(6), (f)(7), (h)(1)(K).

Name of Applicant: _____

Address: _____

Primary Contact: _____

Domiciliary Jurisdiction: _____

Applicable Lines of Business: _____

NAIC Alien Id. No. (non-U.S. licensed) _____ **NAIC Co. Code** (U.S. licensed) _____

CHECKLIST

All applicants must include or address the following items:

- 1. Completed Checklist** – Cal. Ins. Code § 922.41(b)(6).
- 2. Cover Letter** – Cal. Ins. Code § 922.41(b)(6).
- a. Requesting to passport certified reinsurer status from an NAIC accredited jurisdiction into California.
- b. Informing which NAIC accredited jurisdiction(s) have certified the applicant.
- NOTE:** CDI will confirm that initial certification has been reviewed by the NAIC Reinsurance Financial Analysis (E) Working Group for passport purposes.
- c. Specifying the mechanism used to post collateral *i.e.*, Cash or Securities, Letters of

Credit, and/or Multibeneficiary Trust. *See* Cal. Ins. Code §§ 922.4(d), 922.41(a), 922.41(i), 922.5.

- d. Informing of the status of applicant's domiciliary jurisdiction. The applicant must be domiciled and licensed in a qualified jurisdiction as determined by California. *See* Cal. Ins. Code § 922.41(b)(1).

NOTE: A list of qualified jurisdictions in California is listed on CDI's website under the "[Certified Reinsurer](#)" portion of the "Bulletins & Notices" page.

- 3. Advance/Deposit** – Remit \$1,500 to the California Department of Insurance

NOTE: The actual costs and expenses incurred by CDI in reviewing certification requests will be separately charged to the requesting insurer pursuant to section 922.43. Review costs are *in addition* to the \$1,500 advance/deposit fee.

- 4. Verification of Certification** – Cal. Ins. Code § 922.41(b)(6), (c)(1)

- a. A copy of the approval letter or other approval documentation provided to the applicant by an NAIC accredited jurisdiction. At a minimum the letter must confirm the following information:
- i. Name of the state in which the applicant is currently certified.
 - ii. The rating and collateral percentage assigned to the applicant.
 - iii. The effective and expiration dates of the certification.
 - iv. The lines of business to which the certification is applicable.
 - v. The applicant's commitment to comply with all requirements necessary to maintain certification in the NAIC accredited jurisdiction.

- 5. California's Form CR-1** – Cal. Ins. Code § 922.41(b)(4)-(6), (f), (h)(3)

- a. California's Form CR-1 must be properly executed by an officer authorized to bind the applicant to the commitments set forth in the form.

NOTE: [California's Form CR-1](#) can be found on CDI's website under the "Certified Reinsurer Application" section of the "Corporate Applications & Information" page.

- 6. Mechanism Used to Secure Obligations** – Cal. Ins. Code §§ 922.4(d), 922.41(a), 922.41(i), 922.5

- a. If the applicant intends to use a multibeneficiary trust to secure obligations incurred as a certified reinsurer submit:
- i. The form of the trust used to secure obligations as a certified reinsurer; and
 - ii. The form of the trust used to secure obligations incurred outside the applicant's certified reinsurer status, if applicable.

- 7. Other Requirements** – Cal. Ins. Code § 922.41(b)(6), (i)(6)

- a. Submit a statement in which the applicant commits to comply with any other requirements deemed relevant by the California Commissioner for certification.

NOTE: Failure to comply with the requirement of section 922.4(b)(6) may result in the suspension or revocation of a reinsurer's certification. *See* Cal. Ins. Code § 922.42.

- b. A statement that the applicant agrees to post 100% security upon the entry of an order of rehabilitation or conservation against the ceding insurer or its estate.

Signature of Officer with Authority to Bind

Name

Title

Date